

Kitsap County Assessor
Espresso Site Regional Model
Appraisal Date 1/1/2009, Tax Year 2010
Updated 06/22/2009 by Appraiser CM20

Valuation Summary

Approach Used – Income Approach.

Summary of Analysis Conclusions – With only one sale representing land with an espresso site and storage area, there was insufficient data for a sales approach. Of the nine rents received, five were from 2004 or 2005 documentation reflecting income from 2003 and 2004. With this limited amount of information an income approach was adopted reflecting three levels of rents, no expenses, no vacancy and a cap rate adopted from retail properties.

Property Type Overview

Population – Kitsap County has identified thirty-nine espresso sites, the majority of which are located with other income producing properties. These sites are mainly drive-thru with some walk-up locations. These sites offer only beverages and are not associated with the large coffee house chains (Starbucks, Austin Chase). Typically the structure is personal property owned separate from the land.

Economic Conditions – With no sales and limited rents no trend due to economic conditions could be developed. No vacancies were observed, nor have any locations been abandoned recently.

Rating System – Three classes of espresso sites were derived from location, traffic volume, competition, whether associated with a supermarket or shopping center (kiosk) and rents.

Sources

Publications – Korpacz 4th Qtr 2008
 Marcus & Millichap 2008

Internet – None found.

Other – Income questionnaires.

Model Calibration

Preliminary Ratio Analysis – One sale of property improved exclusively with an espresso site was available, which was insufficient to determine a market value. Value was determined from reported rents.

Market Approach Data and Analysis

Regional Sales - Range of Sales Dates – One sale from 08/20/2007

Current Sale Listings – None found.

Market Rates – None found.

Income Approach Data and Analysis

Rent Data – Nine rents were reported between 2004 and 2008.

Vacancy Data – None reported.

Expense Data – None reported.

Cap Data – Korpacz 4th Qtr 2008 quoted 7.56%, Marcus & Millichap 2008 quoted 7.60%. Used 8%.

Current Lease Listings – None found.

Model Validation

Final Ratio Analysis – With no sales information available, a ratio analysis was not performed.

Kitsap County Assessor
ATM Site Regional Model
Appraisal Date 1/1/2009, Tax Year 2010
Updated 06/22/2009 by Appraiser CM20

Valuation Summary

Approach Used – Income Approach.

Summary of Analysis Conclusions – No rents, no sales, no leases were obtained. Most similar property is a Espresso Site in size and function. Adopted Espresso Site rates.

Property Type Overview

Population – Kitsap County has identified five stand alone ATM sites. ATMs located in conjunction with a bank, located within a grocery store or are located within the regional mall are not included in this model.

Economic Conditions – With no sales and limited rents no trend due to economic conditions could be developed. No vacancies were observed, nor have any locations been abandoned recently.

Rating System – The Espresso model was adopted using the same criteria.

Sources

Publications – Korpacz 4th Qtr 2008
Marcus & Millichap 2008

Internet – None found.

Other – None.

Model Calibration

Preliminary Ratio Analysis – No sales.

Market Approach Data and Analysis

Regional Sales - Range of Sales Dates – No sales.

Current Sale Listings – None found.

Market Rates – None found.

Income Approach Data and Analysis

Rent Data – No rents received.

Vacancy Data – None reported.

Expense Data – None reported.

Cap Data – Korpacz 4th Qtr 2008 quoted 7.56%, Marcus & Millichap 2008 quoted 7.60%. Used 8%.

Current Lease Listings – None found.

Model Validation

Final Ratio Analysis – With no sales information available, a ratio analysis was not performed.

ESPRESSO SITES

CLASS	DESCRIPTION	Location	Traffic Volume	Competition	Stand Alone or Attached	Value
A	No rate					
B	High traffic volume, high visibility, easy access, high or medium competition, synergy from close proximity to retail or office complexes. Examples: West Hills Texaco location, Starbucks inside Albertson's	URBAN	HIGH	HIGH OR MEDIUM	Stand Alone or Attached	118,130
C	In Urban areas, has morning and evening commuter traffic but not in major shopping area. Urban has limited competition. In Rural areas, has morning and evening commuter traffic, no competition. Rural may be located in a rural shopping complex or CSWG location. Examples: SFR/Espresso on Perry, Texaco Station at corner of Seabeck Hwy & Newberry Hill Road, Lowe's of Silverdale	URBAN OR RURAL	HIGH OR MEDIUM	MEDIUM OR LOW	Stand Alone or Attached	92,810
D	Rural, low traffic volume, low competition. Serves local population. Examples: Seabeck Marina, Port Gamble Mill Site.	RURAL	LOW	LOW	Stand Alone	54,000
E	No rate					

Average site size for an espresso stand is 750 square feet.

Espresso Site Public Rents

0	Data Date	Occupancy	Location	Traffic	Competition	Quality	Unit Count	PGI/Unit
1	04/16/04	Espresso	Rural	Medium	Low	D	1	4,800
2	06/04/04	Espresso	Urban	Medium	High	C	1	4,800
3	11/17/04	Espresso	Urban	High	High	C	1	6,000
4	03/27/06	Espresso	Rural	Low	Low	C	1	7,800
5	08/12/08	Espresso	Rural	Medium	Low	C	1	8,700
6	06/22/05	Espresso	Urban	High	Low	B	1	9,200
7	08/04/05	Espresso	Rural	Medium	Low	B	1	10,200
8	10/28/08	Espresso	Urban	High	Medium	B	1	10,500

CAP

90%

8%

E	QUARTILE0	4,800	4,320	54,000
D	QUARTILE1	5,700	5,130	64,125
C	QUARTILE2	8,250	7,425	92,813
B	QUARTILE3	9,450	8,505	106,313
A	QUARTILE4	10,500	9,450	118,125

Cap Rates					Model	CAP
					90%	8%
Korpaz 4th Qtr 08	7.56%	D	Low	4,800	4,320	54,000
Marcus & Millichap 08	7.60%	C	Median	8,250	7,425	92,813
		B	High	10,500	9,450	118,125

Removed outlier

9	04/16/04	Espresso	Urban	High	Low	A	1	14,400
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